

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

Voluntary _ Public

Date: 3/2/2011

GAIN Report Number: CI1007

Chile

Post: Santiago

Strong Demand for Chilean Lamb

Report Categories:

Agriculture in the News

Approved By:

Rachel Bickford, Agricultural Attaché

Prepared By:

María José Herrera M., Marketing Specialist

Report Highlights:

Chilean lamb and mutton exports, mostly from the Magallanes Region in the country's extreme south, increased 17% in 2010 over the previous year according to the Chile's Agriculture Studies and Policies Office, (ODEPA).

General Information:

"The 6.827 tons exports were equivalent to US\$32.5 million, which compared to 2009 represents an increase in value of 22.1%," said ODEPA director Gustavo Rojas. Rojas indicated that sustained global appetite for ovine meat, which hiked international prices, is the main reason for last year's good performance with "demand forecasted to keep increasing 3% annually in the near future with supplies coming mainly from developing countries."



The Magallanes Region, with 91% of national sales, remains the most productive lamb-exporting region of Chile, followed by Los Lagos (2.3%); Bio Bio (2.2%); Maule (2%) and Aysen (1.8%).

The average export price in 2010 was US\$4.77 per ton and the main clients were Spain (38%); Holland, Denmark and the UK (9% each); Israel (8%); France (6%); Sweden (6%); Germany (5%) and Mexico (3%).

In related news, Chilean beef exports increased 42 % having reached US\$34.5 million in 2010. Rojas said the "the increase in beef exports value was mainly due to higher international prices and a 9.6 % rise in volume. Total tonnage exported in 2010 was 4.921.

"The increase in 2010 beef prices follows the international tendency reaching levels close to those of 2008. According to FAO, the level of prices in 2010 was 26% higher than in 2009", added Rojas who revealed that the average export price of Chilean beef in 2010 was

seven-thousand U.S. dollars a ton.

Map of Chile with the Magallanes Region highlighted in pink

The top Chilean beef exports markets were: Germany (32%); Venezuela (17%); United States (17%); UK (9%); Spain (5%); Holland (4%); Cuba (3%) and France (3%).

SOURCE: MERCOPRESS